

Fantasia: Remarkable Results In Real Estate Business's Focused Regions
Colour Life: Awarded the Best Investor Relations Management of
"Golden Hong Kong Stocks"

Layout of the Taiwan market Establishment of a joint venture with Taiwan Secom

On 4 February 2019, Fantasia Holdings Group Co., Ltd. (HKEx stock code: 1777) announced its January 2019 sales performance in Hong Kong. Shenzhen Fantasia Real Estate Group Company Limited, a subsidiary of the Group, achieved contracted sales area and contracted sales of 163,856 sq.m. and RMB1,702 million in January, representing a single month year-on-year increase of 5.03%. The selling price per square metre was RMB10,385.

Single month contracted sales amounted to RMB1, 702 million, representing a year-on-year increase of 5.03%

Last month, the nationwide sales area and amount of commercial housing ushered in the concentrated outbreak from last year end with a month-on-month increase of 44.59% and 17.96% respectively. According to the statistics from the National Bureau of Statistics, in 2018, the yearly sales area and amount of commercial housing in the real estate sector in China recorded new high with new construction area increased by 17.2% year-on-year. Land investment remained prudent and the growth in land acquisition had slowed down, only up by about 9.5% year-on-year. This month, The Central Economic Work Conference put forward to construct a long-term and effective mechanism for the healthy development of the real estate market, improve the housing market system and housing security system by implementing individual city-oriented and categorising control measures. We believe the 2019 real estate market policy environment will be more stable with more reasonable overall policy mix, which will be more conducive to market stability.

Fantasia continued to focus on local regions and expanded its presence nationwide. We adopted prudent investment strategy, promoted readily marketable products, accelerated destocking process and improved turnover rate. In January 2019, the contracted sales amount was approximately RMB1, 702 million, representing a year-on-year increase of 5.03%, and average selling price was RMB10, 385 per sq.m.. From the urban layout perspective, Chengdu has become the main sales driver, contributed a total of approximately RMB640 million in contracted sales, representing over 37%. Of which, Huizhou Jiatianxia, Chengdu Ziyang and Suzhou Taihu Tiancheng were projects newly launched into the market. The Group achieved remarkable sales results from its three projects through improved self-constructed channels, focused customer operations, adjusted and optimised measures in sales model to assure customer increase. These measures had contributed contracted sales of RMB35.63 million, RMB91.25 million and RMB110 million respectively.

Fantasia focused its development in Chengdu and achieved the RMB10 billion mark in sales for the first time

In 2018, Fantasia Chengdu Branch seized the market segment rotation opportunities in the cities of Sichuan Province in the first half of the year to layout proactively, and continued to focus its development in Shuangliu and Pidū. The 550 units of Fantasia.Xiangmendi, which were newly launched in December 2018 were sold out quickly, thanks to the product planning in satisfying the needs of first home purchase and living standard improvement demand as well as the introduction of intelligent community product concept. With the rising trend in Chengdu's housing prices in 2018, it is expected that the gross profit margin of Fantasia will further increase due to the anticipating carry forward effect of its products.

In early 2017, Fantasia resumed its real estate development business and began to adjust product

layouts. We also improved the proportion of boutique upscale residences and lowered the development of urban complexes to complement the need of mid-to-high end residential products. The proportion of boutique upscale residences climbed up to 83.6% from 68.1% in the first half of 2017. With regard to regional distribution, the proportion of Chengdu Chongqing Economic Zone rose to 53% in the middle 2018 from 9.9% in the first half of 2017.

For products, the Company actively enhances its capability in product research and development, perfects its large-scale R&D and design management system, and puts into place a hierarchical deploying standard featuring “architectural design, exquisite decoration and picturesque landscape”. Meanwhile, the three product systems characterised by “high-rise, low density and commercial & office purposes” were established in Chengdu region to strengthen its market competitiveness, with attractive high-quality sales centres to achieve cross-sector operation of reducing economic dependence on real estate industry and received well public praise. The rapid growth in Fantasia sales volume was attributable to its products that can satisfy the rigid demand as well as our position and planning in improving the housing needs, which in turn had accelerated destocking.

In future, Fantasia will also continue to roll out more fine-caring projects in the Chengdu markets, further demonstrate its product brand effects and expand its market influence. We will develop in line with urban development consistently, co-mingle thoroughly the product concept of product style, smart community + caring services with technology and aesthetics.

Dual approach in light and heavy asset development: encompassing growth and defensive nature

Fantasia has developed its heavy asset business in a stable manner, while the property management-oriented light asset business continued its industry leading role. Currently Fantasia will continue to focus on its two principal businesses in real estate development and community services, and give dual consideration to both the light and heavy asset to build an industrial financial group backed by integrated community industry.

At present, both our light and heavy businesses are interacting with sufficient liquidity. We have adequate cash reserves, and both the principal and interest of maturing domestic and overseas bonds are fully converted and settled. Against the backdrop of downward market environment in 2018, Fantasia successfully achieved a sales amount of RMB30.173 billion, representing a growth of 50% year-on-year and accomplished its yearly sales target. Such results had proved the core competent strength of Fantasia in surviving in adverse market conditions, made dynamic adjustment and layout pre-arrangement in meeting market changes, which in turn ensured stable and high-quality growth.

In the days to come, Fantasia Group will firmly grasp market direction, continue to adhere to “community +” strategy, and focus on its dual principal businesses of “real estate development and community services”. In 2019, the Company will spend much greater efforts in acquiring high quality land sites at low prices through mergers and acquisition to further enhance operation efficiency. Complemented by its high-quality community value-added services, we will take both light and heavy asset into consideration to give full play of our strategic advantages and increase profit margins. We will devote to build better communities, and create better returns for shareholders.

Colour Life made early repayment of RMB1.0 billion short-term loans

On 9 January 2019, Colour Life announced that it had repaid its short-term loans of RMB690,000,000 prior to their maturity (the “**Early Repayment**”). The loans were

RMB1,000,000,000 in total which were borrowed from an onshore financial institution in early February 2018, of which RMB310,000,000 was already early repaid at the end of 2018. Hence, the short-term loans were all fully repaid in advance. The Early Repayment is expected to save future interest expenses and improve the gearing ratio of Colour Life. In 2019, Colour Life will further repay its debts to control them within a safety boundary. It will continue to optimise its asset and liability structure, and create more long-term value for its investors.

Splendid Fortune, a substantial shareholder, increased its shareholding in Colour Life by acquiring 500,000 shares at a consideration of HK\$2,077,000

On 11 January 2019, Colour Life was informed by its shareholder, Splendid Fortune Enterprise Limited (“Splendid Fortune”), that it had acquired 500,000 ordinary shares of Colour Life in the open market for a total consideration of HK\$2,077,000 (representing an average price of HK\$4.1537 per share). After this shareholding increase, Splendid Fortune holds 16.37% of the total issued share capital of Colour Life. As at the date of the announcement, Splendid Fortune is owned as to 43.34% by Mr. Tang Xuebin, the executive director and chief executive officer of Colour Life. Such move has demonstrated the recognition of the long-term value of the company by its management.

Colour Life entered into the Taiwan market and established a joint venture company with Taiwan Secom

On 17 January 2019, Colour Life and Taiwan Secom Group signed a strategic cooperation agreement in Taiwan. Both parties will conduct comprehensive cooperation in community services, fully leverage on their respective advantages to jointly promote the integration of intelligent community resources, and established a joint venture company to explore the implementation and execution of Colour Life’s internet-based platform service model in Taiwan. Mr. Tang Xuebin said this cooperation is the unanimous intention of both parties after making preliminary mutual visits, investigations, communication and negotiations to each other. Both parties will jointly construct an intelligent community business service platform, and the joint venture company will be incorporated in Taiwan.

Color Life was awarded the Best Investor Relations Management of “Golden Hong Kong Stocks”

On January 16, 2019, at the 2018 “Golden Hong Kong Stocks” annual awards ceremony held in Shenzhen, Colour Life was awarded the Best Investor Relations Management of “Golden Hong Kong Stocks”. The selection of 2018 “Golden Hong Kong Stocks” listed companies was co-sponsored by Zhitong Finance and Tonghuashun Finance, the leading domestic Hong Kong-US stock information portals. The selection of expert committees based on the company's past year performance growth, industry ranking, corporate governance, business model and market influence. The factors such as the strength and capital market performance are scored, and the corresponding public voting weights are selected to select the final winner list.

Colour Life was awarded the "Best Innovation Award" and three individual awards at the 2nd China Excellence IR Awards Ceremony

The investor relations team of Colour Life was well recognized by the capital market based on its professional and compliance information disclosure, sincere and transparent investment relationship management. The 2019 listed company investor relations innovation summit and the second China Excellence IR Awards were held on 9 January 2019. In the ceremony, after the recommendation, professional screening, online voting, and expert review, the team finally won the “Second China Excellence IR Best Innovation Award”. At the same time, the Colour

Life Investor Relations team also won three individual awards, namely, “Best Leadership Award”, “Best Director Award” and “Most Potential Award”.